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MEMORANDUM

To: Citizen's Task Force on Chargers' Issues

From: Gerald M. Trimble

cc: Mr. Bruce Herring, Deputy City Manager
City of San Diego

Date: March 5, 2003

Subject: Analysis of Chargers Stadium Village Proposal

Keyser Marston Associates, Inc. (KMA) has been asked to review and analyze the proposal first presented by representatives of the owners of the Chargers to the Citizen's Task Force on Chargers' Issues (Task Force) during their meeting of January 16, 2003. Following this presentation additional details including a financial analysis prepared by Alan Nevin for the Chargers was provided to KMA, the City and the Task Force. This additional material formed the basis of KMA's analysis of the proposal. A summary of KMA's analysis was presented to the Task Force on February 6, 2003. The following comments are presented as a description of tables distributed to the Task Force explaining the Chargers Stadium Village Proposal.

Table 1, Summary of Chargers' Development Assumptions, details the development program envisioned, the tax revenues assumed to be provided by the proposed development program, land valuation for the development program and an assumed schedule of absorption of the various land uses in the marketplace.

Table 2, City Revenues and Costs Overview (15% Discount Rate) compares the Chargers' land and tax revenues to somewhat more conservative projections of revenues by KMA. The Chargers' numbers are discounted at 10% and assume the adoption by the City of an Infrastructure Financing District (IFD) with participation (receipt of the increase in property taxes generated by new development within the district also referred to as tax increment) by the City and the County (Chargers' assumed that 36% of the 1% property tax would be available). Backup detail for the Chargers' total revenue number of \$188,258,000 is provided in KMA's analysis on Table 4. KMA presents three comparisons. KMA's comparisons make the following assumptions as changes to the Chargers' assumptions:

- All three comparisons are discounted at 15%.
- Two (2) years are added for predevelopment activities, i.e., new development is delayed 2 years, therefore revenues are delayed 2 years. All comparisons.
- Retail sales are projected at \$300/SF annually instead of \$260/SF annually. All comparisons.
- Office and retail land values are reduced to \$30/SF. Comparison D only. (From a range of \$30 - \$60/SF)
- For-sale residential land values assumed to be \$30,000/Dwelling Unit (DU). Comparison D only (from \$54,450/Unit).
- For-rent residential land values assumed to be \$20,000/DU (from \$45,375/Unit). Comparison D only.
- Deduction of \$49 million as the base assessed value for the IFD. All comparisons.
- IFD bonds sold and secured by tax increment (increased tax revenue generated from new development within the IFD). All comparisons.

Comparison B assumes participation in the IFD by the City and the County, i.e., 32.8% of the 1% property tax increment (City's share is 17.1% and the County's share is 15.7%).

Comparison C assumes no participation by the County, i.e., City receives only the 17.1% of the 1%. Comparison D assumes more conservative land values and City and County participation in an IFD.

Table 3, City Revenues and Costs Overview (25% Discount Rate). All assumptions are the same as Table 2 with the exception that in Comparisons B, C and D projected land revenues and tax revenues are discounted at 25%.

Tables 4 through 7 illustrate KMA's analysis and assumptions for Scenarios A-D.

Conclusions

KMA's conclusion is that the land and tax revenues will be less than projected due to the assumptions noted in this memorandum report. Also important to note is that with any new mixed use development, there will be significant one time costs for predevelopment activities, i.e., planning, entitlements, infrastructure, environmental, traffic, etc. In addition, there will also be recurring annual costs for city services, e.g., fire, police, etc.

TABLE 1

SUMMARY OF CHARGERS' DEVELOPMENT ASSUMPTIONS
CHARGERS' DEVELOPMENT CONCEPT
CITIZENS' TASK FORCE ON CHARGERS ISSUES

I. Development Overview

	Building SF (GBA)	Residential		Hotel		Land Area (Acres)		Parking Spaces			
		Units	SF/Unit	Rooms	SF/Room	FAR	Total	Structure	Surface	Total	Ratio
Condominiums	3,282,662	2,442	1,344	-	-	2.0	37.0	5,883	2,100	7,983	2.42
Apartments	856,588	852	1,005	-	-	1.2	16.0	-	-	-	Included Above
Office	600,000	-	-	-	-	2.3	6.0	1,800	0	1,800	3.00
Retail	230,680	-	-	-	-	1.3	4.0	200	300	500	2.17
Hotel	<u>313,632</u>	-	-	<u>623</u>	<u>503</u>	<u>2.4</u>	<u>3.0</u>	<u>400</u>	<u>0</u>	<u>400</u>	0.64
Total	5,283,562	3,294	1,257	623	503	1.8	66.00	8,283	2,400	10,683	

II. Tax Revenues (2003 \$'s)

	Projected Assessed Value			Property Tax IFD (36% of 1%)	Sales Tax (1% of \$260/SF)	TOT (10.5%/75%/\$150)	Total
	Total	Per SF	Per Unit/Room				
Condominiums	\$841,834,000	\$256	\$344,731	\$3,031,000	-	-	\$3,031,000
Apartments	\$185,605,000	\$217	\$217,846	\$668,000	-	-	\$668,000
Office	\$128,329,000	\$214	-	\$462,000	-	-	\$462,000
Retail	\$44,522,000	\$193	-	\$160,000	\$600,000	-	\$760,000
Hotel	<u>\$124,528,000</u>	<u>\$397</u>	<u>\$199,884</u>	<u>\$448,000</u>	<u>-</u>	<u>\$2,686,000</u>	<u>\$3,134,000</u>
	\$1,324,818,000	\$251		\$4,769,000	\$600,000	\$2,686,000	\$8,055,000

III. Land Valuation (2003 \$'s)

	Value	Per SF GBA	Per Unit/Room	Per SF Site
Condominiums	\$90,024,000	-	\$36,865	\$56
Apartments	\$19,965,000	-	\$23,433	\$29
Office	\$10,454,400	\$17	-	\$40
Retail	\$6,534,000	\$28	-	\$38
Hotel	<u>\$5,227,200</u>	-	\$8,390	<u>\$40</u>
Total	\$132,204,600			\$46

IV. Absorption

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Condominiums	2,442 Units	0	150	300	396	436	352	286	196	226	100
Apartments	852 Units	0	120	180	180	180	96	96	0	0	0
Office	600,000 SF	0	50,000	250,000	50,000	50,000	200,000	0	0	0	0
Retail	230,680 SF	0	0	100,000	65,340	0	0	65,340	0	0	0
Hotel	623 Rooms	0	159	0	159	0	0	0	305	0	0

TABLE 2

CITY REVENUES AND COSTS OVERVIEW - (15% DISCOUNT RATE)
CHARGERS' DEVELOPMENT CONCEPT
CITIZENS' TASK FORCE ON CHARGERS ISSUES

	Chargers (1)	KMA (2)		
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
	<u>City/County IFD</u>	<u>City/County IFD Tax Increment Bond</u>	<u>City IFD Only Tax Increment Bond</u>	<u>Conservative Land \$ City/County IFD Tax Increment Bond (3)</u>
I. Revenues (Present Value)				
Land Revenues (7 Years)	\$110,847,000	\$73,266,000	\$73,266,000	\$56,017,000
Tax Revenues (30 Years)	<u>\$77,411,000</u>	<u>\$34,911,000</u>	<u>\$21,662,000</u>	<u>\$34,911,000</u>
Total Revenues	\$188,258,000	\$108,177,000	\$94,928,000	\$90,928,000
II. One-Time Costs				
Planning/Entitlements (For Illustration Purposes Only)	TBD	TBD	TBD	TBD
Infrastructure (For Illustration Purposes Only)	TBD	TBD	TBD	TBD
Traffic (For Illustration Purposes Only)	TBD	TBD	TBD	TBD
Environmental (For Illustration Purposes Only)	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Subtotal One-Time Costs	TBD	TBD	TBD	TBD
III. Recurring Costs				
City Services (For Illustration Purposes Only)	TBD	TBD	TBD	<u>TBD</u>
IV. Net Available Revenues	TBD	TBD	TBD	TBD

(1) Present value figures expressed in Year 0. Charger's Land Revenues discounted @ 10%.

(2) KMA present value figures expressed two years earlier, i.e., in Year -2. KMA Land Revenues and Tax Revenues both discounted @ 15%.

(3) KMA reduced Office & Retail land value to \$30/SF, Condo land value @ \$30K/Unit, Apt land value @ \$20K/unit, and land value inflation to 3%.

TABLE 3

CITY REVENUES AND COSTS OVERVIEW - (25% DISCOUNT RATE)
CHARGERS' DEVELOPMENT CONCEPT
CITIZENS' TASK FORCE ON CHARGERS ISSUES

	Chargers (1)	KMA (2)		
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
	<u>City/County IFD</u>	<u>City/County IFD Tax Increment Bond</u>	<u>City IFD Only Tax Increment Bond</u>	<u>Conservative Land \$ City/County IFD Tax Increment Bond (3)</u>
I. Revenues				
Land Revenues (7 Years)	\$110,847,000	\$48,746,000	\$48,746,000	\$36,929,000
Tax Revenues (30 Years)	<u>\$77,411,000</u>	<u>\$12,737,000</u>	<u>\$8,282,000</u>	<u>\$12,737,000</u>
Total Revenues	\$188,258,000	\$61,483,000	\$57,028,000	\$49,666,000
II. One-Time Costs				
Planning/Entitlements	TBD	TBD	TBD	TBD
Infrastructure	TBD	TBD	TBD	TBD
Traffic	TBD	TBD	TBD	TBD
Environmental	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Subtotal One Time Costs	TBD	TBD	TBD	TBD
III. Recurring Costs				
City Services	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
IV. Net Available Revenues	TBD	TBD	TBD	TBD

(1) Present value figures expressed in Year 0. Charger's Land Revenues discounted @ 10%.

(2) KMA present value figures expressed two years earlier, i.e., in Year -2. KMA Land Revenues and Tax Revenues both discounted @ 15%.

(3) KMA reduced Office & Retail land value to \$30/SF, Condo land value @ \$30K/Unit, Apt land value @ \$20K/unit, and land value inflation to 3%.

TABLE 4

LAND SALES PROCEEDS AND FISCAL REVENUES - CHARGERS (SCENARIO A)
CHARGERS' DEVELOPMENT CONCEPT
CITIZENS' TASK FORCE ON CHARGERS ISSUES

I. Land Sales Proceeds

	<u>Total</u>	<u>NPV @</u> <u>10%</u>	<u>NPV @</u> <u>15%</u>	<u>NPV @</u> <u>25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Condominiums	\$102,526,000	\$75,167,000	\$65,458,000	\$51,047,000	\$12,080,640	\$17,275,315	\$30,216,097	\$16,137,029	\$18,549,090	\$8,267,594	\$0	\$0	\$0	\$0
Apartments	\$22,495,000	\$16,961,000	\$14,997,000	\$12,071,000	\$5,662,800	\$3,769,160	\$3,919,926	\$3,736,996	\$2,649,870	\$2,755,865	\$0	\$0	\$0	\$0
Office	\$11,778,000	\$8,863,000	\$7,810,000	\$6,222,000	\$1,359,072	\$4,240,305	\$1,469,972	\$1,528,771	\$3,179,844	\$0	\$0	\$0	\$0	\$0
Retail	\$7,413,000	\$5,492,000	\$4,812,000	\$3,796,000	\$0	\$3,769,160	\$1,714,968	\$0	\$0	\$1,929,105	\$0	\$0	\$0	\$0
Hotel	\$5,977,000	\$4,364,000	\$3,818,000	\$3,031,000	\$1,812,096	\$0	\$1,959,963	\$0	\$0	\$2,204,692	\$0	\$0	\$0	\$0
Total	\$150,189,000	\$110,847,000	\$96,895,000	\$76,167,000	\$20,914,608	\$29,053,939	\$39,280,926	\$21,402,796	\$24,378,804	\$15,157,257	\$0	\$0	\$0	\$0

II. Tax Revenue Sources (30 Years)

	<u>Total</u>	<u>NPV @</u> <u>10%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Property Tax	\$255,816,000	\$49,760,000	\$0	\$404,635	\$1,212,855	\$2,099,049	\$3,041,618	\$4,061,871	\$4,939,397	\$5,876,162	\$6,603,114	\$7,118,630
Sales Tax	\$26,461,000	\$5,697,000	\$0	\$2,652	\$272,635	\$465,274	\$479,232	\$493,609	\$706,906	\$740,781	\$763,005	\$785,895
TOT	\$107,643,000	\$21,954,000	\$0	\$606,073	\$624,255	\$1,285,966	\$1,324,545	\$1,364,281	\$1,405,210	\$3,113,202	\$3,206,598	\$3,302,796
Total	\$389,920,000	\$77,411,000	\$0	\$1,013,360	\$2,109,746	\$3,850,289	\$4,845,395	\$5,919,761	\$7,051,513	\$9,730,146	\$10,572,717	\$11,207,321

III. Total Revenue Sources

	<u>Total</u>	<u>NPV @</u> <u>10%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Total	\$540,109,000	\$188,260,000	\$20,914,608	\$30,067,300	\$41,390,672	\$25,253,085	\$29,224,199	\$21,077,018	\$7,051,513	\$9,730,146	\$10,572,717	\$11,207,321

ASSUMPTIONS:

City/County Share of Property Tax	36%
Retail Sales Per SF	\$260
Land Value Escalation Factor	4.0%
Annual Sales and TOT Escalation Factor	3.0%
Assessed Value Escalation Factor	3%

TABLE 5

LAND SALES PROCEEDS AND FISCAL REVENUES - KMA - CITY/COUNTY IFD (SCENARIO B)
CHARGERS' DEVELOPMENT CONCEPT
CITIZENS' TASK FORCE ON CHARGERS ISSUES

I. Land Sales Proceeds

	<u>Total</u>	<u>NPV @</u> <u>15%</u>	<u>NPV @</u> <u>25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Condominiums	\$102,526,000	\$49,496,000	\$32,670,000	\$12,080,640	\$17,275,315	\$30,216,097	\$16,137,029	\$18,549,090	\$8,267,594	\$0	\$0	\$0	\$0
Apartments	\$22,495,000	\$11,340,000	\$7,725,000	\$5,662,800	\$3,769,160	\$3,919,926	\$3,736,996	\$2,649,870	\$2,755,865	\$0	\$0	\$0	\$0
Office	\$11,778,000	\$5,905,000	\$3,982,000	\$1,359,072	\$4,240,305	\$1,469,972	\$1,528,771	\$3,179,844	\$0	\$0	\$0	\$0	\$0
Retail	\$7,413,000	\$3,638,000	\$2,429,000	\$0	\$3,769,160	\$1,714,968	\$0	\$0	\$1,929,105	\$0	\$0	\$0	\$0
Hotel	\$5,977,000	\$2,887,000	\$1,940,000	\$1,812,096	\$0	\$1,959,963	\$0	\$0	\$2,204,692	\$0	\$0	\$0	\$0
Total	\$150,189,000	\$73,266,000	\$48,746,000	\$20,914,608	\$29,053,939	\$39,280,926	\$21,402,796	\$24,378,804	\$15,157,257	\$0	\$0	\$0	\$0

II. Tax Revenue Sources (30 Years)

	<u>Total</u>	<u>NPV @</u> <u>15%</u>	<u>NPV @</u> <u>25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Property Tax	\$208,394,000	\$22,423,000	\$8,096,000	\$0	\$342,865	\$994,204	\$1,676,525	\$2,369,872	\$3,087,453	\$3,675,856	\$4,278,963	\$4,724,406	\$46,960,635
Sales Tax	\$30,277,000	\$3,142,000	\$1,279,000	\$0	\$300,000	\$510,901	\$526,228	\$542,014	\$778,897	\$802,264	\$826,332	\$851,122	\$876,656
TOT	\$107,643,000	\$9,346,000	\$3,362,000	\$0	\$606,073	\$624,255	\$1,285,966	\$1,324,545	\$1,364,281	\$1,405,210	\$3,113,202	\$3,206,598	\$3,302,796
Total	\$346,314,000	\$34,911,000	\$12,737,000	\$0	\$1,248,938	\$2,129,360	\$3,488,719	\$4,236,431	\$5,230,631	\$5,883,329	\$8,218,497	\$8,782,126	\$51,140,086

III. Total Revenue Sources

	<u>Total</u>	<u>NPV @</u> <u>15%</u>	<u>NPV @</u> <u>25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Total	\$496,503,000	\$108,177,000	\$61,483,000	\$20,914,608	\$30,302,877	\$41,410,286	\$24,891,515	\$28,615,235	\$20,387,888	\$5,883,329	\$8,218,497	\$8,782,126	\$51,140,086

ASSUMPTIONS:

Tax Rate Area (TRA)	08001
County's Share of Property Tax	15.7%
City's Share of Property Tax	17.1%
Assessed Value Base Year	\$49M
Bonding Year	Year 10
Debt Service Coverage Ratio	1.2
Interest Rate	6%
Issuance Costs	15%
Term (Years)	25
Retail Sales Per SF	\$300
Assessed Value Escalation Factor	3.0%
Land Value Escalation Factor	4%

TABLE 6

LAND SALES PROCEEDS AND FISCAL REVENUES - KMA - CITY IFD ONLY (NO COUNTY) (SCENARIO C)
CHARGERS' DEVELOPMENT CONCEPT
CITIZENS' TASK FORCE ON CHARGERS ISSUES

I. Land Sales Proceeds

	<u>Total</u>	<u>NPV @</u> <u>15%</u>	<u>NPV @</u> <u>25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Condominiums	\$102,526,000	\$49,496,000	\$32,670,000	\$12,080,640	\$17,275,315	\$30,216,097	\$16,137,029	\$18,549,090	\$8,267,594	\$0	\$0	\$0	\$0
Apartments	\$22,495,000	\$11,340,000	\$7,725,000	\$5,662,800	\$3,769,160	\$3,919,926	\$3,736,996	\$2,649,870	\$2,755,865	\$0	\$0	\$0	\$0
Office	\$11,778,000	\$5,905,000	\$3,982,000	\$1,359,072	\$4,240,305	\$1,469,972	\$1,528,771	\$3,179,844	\$0	\$0	\$0	\$0	\$0
Retail	\$7,413,000	\$3,638,000	\$2,429,000	\$0	\$3,769,160	\$1,714,968	\$0	\$0	\$1,929,105	\$0	\$0	\$0	\$0
Hotel	\$5,977,000	\$2,887,000	\$1,940,000	\$1,812,096	\$0	\$1,959,963	\$0	\$0	\$2,204,692	\$0	\$0	\$0	\$0
Total	\$150,189,000	\$73,266,000	\$48,746,000	\$20,914,608	\$29,053,939	\$39,280,926	\$21,402,796	\$24,378,804	\$15,157,257	\$0	\$0	\$0	\$0

II. Tax Revenue Sources (30 Years)

	<u>Total</u>	<u>NPV @</u> <u>15%</u>	<u>NPV @</u> <u>25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Property (City Only)	\$65,793,000	\$9,174,000	\$3,641,000	\$0	\$178,750	\$518,320	\$874,042	\$1,235,512	\$1,609,617	\$1,916,376	\$2,230,801	\$2,463,029	\$24,482,526
Sales	\$30,277,000	\$3,142,000	\$1,279,000	\$0	\$300,000	\$510,901	\$526,228	\$542,014	\$778,897	\$802,264	\$826,332	\$851,122	\$876,656
TOT	\$107,643,000	\$9,346,000	\$3,362,000	\$0	\$606,073	\$624,255	\$1,285,966	\$1,324,545	\$1,364,281	\$1,405,210	\$3,113,202	\$3,206,598	\$3,302,796
Total	\$203,713,000	\$21,662,000	\$8,282,000	\$0	\$1,084,823	\$1,653,476	\$2,686,236	\$3,102,072	\$3,752,796	\$4,123,850	\$6,170,335	\$6,520,749	\$28,661,978

III. Total Revenue Sources

	<u>Total</u>	<u>NPV @</u> <u>15%</u>	<u>NPV @</u> <u>25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Total	\$353,902,000	\$94,928,000	\$57,028,000	\$20,914,608	\$30,138,762	\$40,934,402	\$24,089,032	\$27,480,876	\$18,910,052	\$4,123,850	\$6,170,335	\$6,520,749	\$28,661,978

ASSUMPTIONS:

Tax Rate Area (TRA)	08001
City's Share of Property Tax	17.1%
Assessed Value Base Year	\$49M
Bonding Year	Year 10
Debt Service Coverage Ratio	1.2
Interest Rate	6%
Issuance Costs	15%
Term (Years)	25
Retail Sales Per SF	\$300
Assessed Value Escalation Factor	3%
Land Value Escalation Factor	4%

TABLE 7

**LAND SALES PROCEEDS AND FISCAL REVENUES - KMA - CITY/COUNTY IFD & CONSERVATIVE LAND \$ (SCENARIO D)
CHARGERS' DEVELOPMENT CONCEPT
CITIZENS' TASK FORCE ON CHARGERS ISSUES**

I. Land Sales Proceeds

	<u>Total</u>	<u>NPV @ 15%</u>	<u>NPV @ 25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Condominiums	\$78,658,000	\$37,582,000	\$24,677,000	\$9,000,000	\$12,236,400	\$22,979,094	\$12,194,833	\$14,248,942	\$7,998,991	\$0	\$0	\$0	\$0
Apartments	\$18,248,000	\$8,838,000	\$5,857,000	\$2,400,000	\$3,708,000	\$3,819,240	\$3,933,817	\$2,160,977	\$2,225,806	\$0	\$0	\$0	\$0
Office	\$8,367,000	\$4,113,000	\$2,744,000	\$653,400	\$3,365,010	\$693,192	\$713,988	\$2,941,630	\$0	\$0	\$0	\$0	\$0
Retail	\$5,621,000	\$2,677,000	\$1,759,000	\$0	\$2,333,970	\$1,570,766	\$0	\$0	\$1,716,419	\$0	\$0	\$0	\$0
Hotel	\$5,779,000	\$2,807,000	\$1,892,000	\$1,794,672	\$0	\$1,903,968	\$0	\$0	\$2,080,517	\$0	\$0	\$0	\$0
Total	\$116,673,000	\$56,017,000	\$36,929,000	\$13,848,072	\$21,643,380	\$30,966,260	\$16,842,638	\$19,351,548	\$14,021,733	\$0	\$0	\$0	\$0

II. Tax Revenue Sources (30 Years)

	<u>Total</u>	<u>NPV @ 15%</u>	<u>NPV @ 25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Property Tax	\$208,394,000	\$22,423,000	\$8,096,000	\$0	\$342,865	\$994,204	\$1,676,525	\$2,369,872	\$3,087,453	\$3,675,856	\$4,278,963	\$4,724,406	\$46,960,635
Sales Tax	\$30,277,000	\$3,142,000	\$1,279,000	\$0	\$300,000	\$510,901	\$526,228	\$542,014	\$778,897	\$802,264	\$826,332	\$851,122	\$876,656
TOT	\$107,643,000	\$9,346,000	\$3,362,000	\$0	\$606,073	\$624,255	\$1,285,966	\$1,324,545	\$1,364,281	\$1,405,210	\$3,113,202	\$3,206,598	\$3,302,796
Total	\$346,314,000	\$34,911,000	\$12,737,000	\$0	\$1,248,938	\$2,129,360	\$3,488,719	\$4,236,431	\$5,230,631	\$5,883,329	\$8,218,497	\$8,782,126	\$51,140,086

III. Total Revenue Sources

	<u>Total</u>	<u>NPV @ 15%</u>	<u>NPV @ 25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Total	\$462,987,000	\$90,928,000	\$49,666,000	\$13,848,072	\$22,892,317	\$33,095,620	\$20,331,357	\$23,587,979	\$19,252,364	\$5,883,329	\$8,218,497	\$8,782,126	\$51,140,086

ASSUMPTIONS:

Tax Rate Area (TRA)	08001
City's Share of Property Tax	17.1%
County's Share of Property Tax	15.7%
Assessed Value Base Year	\$49M
Bonding Year	Year 10
Debt Service Coverage Ratio	1.2
Interest Rate	6%
Issuance Costs	15%
Term (Years)	25
Retail Sales Per SF	\$300
Assessed Value Escalation Factor	3%
Land Value Escalation Factor	3%